

## **Oxymat A/S**

Address: Fasanvej 18-20, 3200 Helsingør

**CVR-nummer 25 28 16 75**

### ***Annual Report 2018***

Financial year 1. januar - 31. december 2018

Adopted at the Annual General Meeting of the Company on 13 May 2019



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Troels Mørch Tuxen  
chairman

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## *Company Information*

The Company	Oxymat A/S Fasanvej 18-20 3200 Helsingø  Municipality of reg. office: Gribskov
Supervisory Board	Troels Mørch Tuxen Jesper Sjøgren Tage Kjær
Executive Board	Jesper Sjøgren
Auditors	Aaen & Co. statsautoriserede revisorer p/s Kongevejen 3 3000 Helsingør
Date of foundation	21. March 2000
Financial year	1 January - 31 December

## Information on calculation of key figures and financial ratios

	2018	2017	2016	2015	2014
Net turnover	153.400	130.687	145.980	149.504	132.393
Gross Profit	22.534	19.827	20.517	13.705	22.533
EBITDA	9.341	5.141	5.101	5.730	10.528
Profit from operations	5.175	2.510	2.352	2.905	8.828
Interest net	(2.826)	(1.569)	303	(204)	(702)
Profit for the year	1.351	706	1.365	1.725	6.305
Fixed assets	31.112	32.401	31.876	23.934	20.296
Current assets	61.305	49.939	49.591	41.522	38.473
Total assets	92.417	82.340	81.467	65.456	58.769
Share capital	10.000	10.000	10.000	10.000	10.000
Equity capital	34.310	33.391	32.685	32.910	34.184
Deferred tax	-	-	1.232	2.692	1.397
Long-term debt	7.061	6.646	9.074	2.805	2.941
Short-term debt	51.046	42.303	38.476	27.049	20.247
Total liabilities	92.417	82.340	81.467	65.456	58.769
Ratios :					
EBITDA margin	6	4	3	4	8
Return on net assets	6	3	3	4	15
Liquidity ratio	120	118	129	154	190
Solvency ratio	37	41	40	50	58
Return on equity	4	2	4	5	20
Number of full-time employees	88	89	97	101	79

### Explanation of ratios

EBITDA margin:	EBITDA / Net turnover
Return on net assets:	Profit from operations x 100 / Total assets
Liquidity ratio:	Current assets x 100 / Short-term debt
Solvency ratio:	Equity capital x 100 / Total assets
Return on equity:	Profit for the year x 100 / Average equity capital

## *Management's Review*

### Development in 2018

The net turnover for the year amounted to T.DKK 153.400. This was an increase of 17 % compared to 2017. EBITDA amounted to T. DKK 9.341, this was an increase of 82 % compared to 2017.

The growths in revenue and EBITDA is as expected, and is a result of the Danish Factory has become operational throughout 2018. The net resultat amounted only to T.DKK 1.351, this is lower than expected, and due to cost involved in reducing number of employees in our Slovakian entity.

The company has decreased the total number of employees with 1 person through out 2018 to totally 88 employees

The company did sign orders for more than 165 mill. DKK throughout 2018.

### Exchange-rate risks

Activities abroad mean that earnings, cash flows and equity are affected by the exchange-rate and interest rate developments for a number of currencies. It is the company's currency policy to hedge commercial currency risks. Hedging takes place primarily through forward exchange contracts to hedge expected revenue and purchases within the next 12 months. There are no speculative currency dispositions.

Currency risks related to investments in subsidiaries and associates abroad are generally not hedged, as it is the company's opinion that continuous hedging of such long-term investments will not be optimal on the basis of a total risk and cost considerations.

### The expected development

After first full year of production from Denmark, we did produce more than 60 mill DKK new Danish products.

The company did also finalize the launch of 2 new models in spring 2019, so the entire program of generators now is available in high quality components and a Danish design. The sales of these products are already started, and the company believe that it will continue the growth level in revenue and EBITDA through out 2019.

The activities in Slovakia and China will continue without major changes in 2019.

## Management's Statement on the Annual Report

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Oxymat A/S for the financial year ended 31 December 2018.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the consolidated financial statements and the parent company financial statements give a true and fair view of the Company's financial position at 31 December 2018 and of the results of Company's operations and cash flows for the financial year then ended.

In our opinion the management's review includes a fair review about the matters the review deals with.

We recommend that the Annual Report be approved at the annual general meeting

Helsinge, 13 May 2019

### Executive Board



Jesper Sjøgren

### Supervisory Board



Troels Mørch Tuxen



Tage Kjær



Jesper Sjøgren

## Independent auditors' report

To the shareholders of Oxymat A/S:

### Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Oxymat A/S for the financial year 1. januar - 31. december 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31. december 2018, and of the results of the Group and Parent Company operations as well as the consolidated cash flows for the financial year 1. januar - 31. december 2018 in accordance with the Danish Financial Statements Act.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of accounting information taken on the basis of these Consolidated Financial Statements and Parent Company Financial Statements.

## Independent auditors' report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Consolidated Financial Statements or the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.



## Independent auditors' report

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Elsinore, 13 May 2019

**Aaen & Co. statsautoriserede revisorer p/s**

Kongevejen 3, 3000 Helsingør - CVR nummer 33 24 17 63



Søren Appelrod

State Authorised Public Accountant

mne23301

## Accounting Policies

### Basis of accounting

The Annual Report of Oxymat A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class C, medium-size enterprises. The accounting policies applied are unchanged compared to the last year.

The annual report is presented in DKK

Accounting policies are unchanged from previous period.

### Recognition and measurement

Revenues are recognized in the income statement as earned, which includes recognition of value adjustments of financial assets and liabilities. Furthermore, all expenses incurred, including depreciation, amortization and impairment losses, are recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortized cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortized cost is calculated as original cost less any deductions and with addition/deduction of the cumulative amortization of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report, which confirm or invalidate affairs and conditions existing at the balance sheet date.

### Basis of Consolidation

The Consolidated Financial Statements comprise the Parent Company Oxymat A/S and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

### Minority interests

Subsidiaries are recognised in the consolidated financial statements accounting records 100%. Minority interests proportional share of profit or loss is included in Distribution of profit and equity of the subsidiary companies is recognised as separate item in equity.

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## Accounting Policies

### Translation policies

Transactions in foreign currencies are translated during the year at the exchange rates at the dates of transaction. Exchange differences between the exchange rates at the balance sheet date and the transactions date rates are recognised in financial income and expenses in the income statement. If exchange rate transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the exchange rate at the time of contracting the receivable or the debt is recognised in financial income and expenses in the income statement.

Fixed assets purchased in foreign currencies are measured at the rate of exchange at the date of the transaction.

### Income statement

#### Gross profit

Gross profit includes revenue for the year less production costs and less distribution expenses and other external expenses.

Revenue is recognised in the income statement under the percentage-of-completion method. As regards contract work in progress, work in progress is recognised as income according to the stage of completion.

Cost of sales comprises cost incurred to achieve revenue for the year.

Other external expenses comprise expenses for distribution, sale, advertising, administration, premises, bad debts, lease expenses, etc.

#### Salaries

Staff costs include salaries and wages, including vacation pay and pensions and other social security costs, etc. to the company's employees. Staff costs are deducted from payments received from public authorities.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts relating to the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised exchange gains and losses concerning debt and transactions in foreign currencies as well as extra payments and repayment under the on-account taxation scheme.

#### Corporation tax

Tax for the year consists of the current tax for the year and change in deferred tax. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity entries is recognised directly in equity.

Oxymat A/S is jointly taxed with Sjøgren Holding ApS. The current joint corporation tax is allocated to the two companies in proportion to their taxable incomes (full allocation with credit for tax losses).

## Accounting Policies

### Balance sheet

#### Non – current assets

Land and buildings, technical plant, machinery and other plant, fixtures, fittings, tools and equipment are measured at cost less accumulated depreciation.

Depreciation is based on cost reduced by any expected residual value after the period of use.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	20 - 50 years	Scrap value	0%
Technical plant and machinery	3 – 10 years	Scrap value	0%
Other plant, fixtures, fittings, tools and equipment	3 – 10 years	Scrap value	0%

Gains or losses on sale of property, plant and equipment are calculated as the difference between the sales price less sales expenses and the carrying amount at the time of the sale. Gains or losses are recognised in depreciation in the income statement.

#### Investments in subsidiaries and associates

The proportionate share of the profit/loss of the individual subsidiaries after tax and full elimination of internal profit/loss and less amortisation of goodwill is recognised in the income statement.

The proportionate share of the profit/loss of the individual associates after tax and full elimination of internal profit/loss and less amortisation of goodwill is recognised in the income statement.

Investments in subsidiaries and associates are recognised in the balance sheet at the proportionate share of the net asset value of the enterprises calculated under the accounting policies of the Parent Company with deduction or addition of unrealised intercompany profits and losses and with addition or deduction of any remaining value of positive or negative goodwill stated under the purchase method.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0, and any receivables from these enterprises are written down by the Parent Company's share of the negative net asset value to the extent that this is considered irrecoverable. If the negative net asset value exceeds receivables, the remaining amount is recognised in provisions to the extent that the Parent Company has a legal or constructive obligation to cover the subsidiary's losses.

Net revaluation of investments in subsidiaries and associates are transferred to reserve for net revaluation under equity under the equity method to the extent that the carrying amount exceeds the cost less amortisation of goodwill.

## Accounting Policies

### Inventories

Inventories are measured at cost according to the FIFO method. In case the net realizable value is lower than cost, write-down is made to this lower value.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables, direct labour and direct production costs.

The net realisable value of inventories is stated as sales price less expenses for finalisation and expenses paid to effect sales and is determined considering saleability, obsolescence and development in expected sales price.

### Contract work in progress

Contract work in progress is measured at the selling price of the work performed based on stage of completion.

Prepayments are set off against contract work in progress.

### Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by provision for bad debts.

### Prepayments and deferred income

Prepayments include expenses incurred in respect of subsequent financial years.

### Cash at bank and in hand

Cash at bank and in the hand comprise cash and bank balances.

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## Accounting Policies

### Dividend

Dividend which is expected paid for the year is shown as a separate item under equity. Proposed dividend is recognised as a liability at the time of adoption at the Annual General Meeting.

### Corporation tax and deferred tax

The company is jointly taxed with its parent company Sjögren Holding ApS. As a result, current tax receivables are recognised and current tax liabilities in the balance sheet under receivables or debts either to affiliated undertakings..

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. In cases, eg concerning shares, where the computation of the tax may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement. For this year a tax rate of 22% has been applied.

### Debt

Other debt is measured at amortised cost corresponding to nominal value.

### Cash flow statement

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities as well as how these cash flows have affected the cash and cash equivalents for the year.

Cash flow from operating activities are presented indirectly and are calculated as the net profit/loss for the year of the Company adjusted for non-cash operating items such as depreciation, amortisation and impairment losses, provisions as well as changes in working capital, interest received and paid, payments concerning extraordinary items and corporation tax paid.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payment of dividend to the shareholders.

## Income statement 1 January - 31 December

Note	Group		Parent Company	
	2018	2017	2018	2017
Revenue	153.400.476	130.686.604	96.918.901	69.097.935
Cost of production	130.866.804	110.859.171	85.567.208	67.934.454
Gross profit	22.533.672	19.827.433	11.351.693	1.163.481
Distribution costs	8.404.575	6.612.576	6.061.759	10.305.922
Administrative expenses	8.953.704	10.705.277	5.181.488	5.901.078
Other operating expenses			1.454	-
Profit from ordinary operating activities	5.175.393	2.509.580	106.992	(15.043.519)
Profit of capital participation from group 9 related companies	-	-	2.644.004	13.648.881
2 Other financial income	470.117	1.736.992	416.274	1.585.732
3 Other financial expenses	3.295.685	3.306.132	2.746.832	3.103.930
Profit from ordinary activities before tax	2.349.825	940.440	420.438	(2.912.836)
5 Tax expense on ordinary activities	998.671	234.418	(483.954)	(3.633.277)
Profit	1.351.154	706.022	904.392	720.441
Proposed distribution of results:				
Proposed dividend recognised in equity			-	-
Reserve for net revaluation according to equity method			(1.567.179)	7.655.210
Minority interests	-	(93.650)		
Retained earnings	1.351.154	799.672	2.471.571	(6.934.769)
Profit for the year distributed	1.351.154	706.022	904.392	720.441

## Balance sheet 31 December

## Assets

Note	Group		Parent Company		
	2018	2017	2018	2017	
6	Land and buildings	16.270.074	17.070.867	0	0
7	Plant and machinery	14.104.810	14.431.226	12.552.055	12.685.842
7	Fixtures, fittings, tools and equipment	737.386	899.150	737.386	899.149
8	Property, plant and equipment in progress	0	0	0	0
	Property, plant and equipment	31.112.270	32.401.243	13.289.441	13.584.991
	Long-term investments in group enterprises	0	0	35.675.449	37.242.628
9	Investments	0	0	35.675.449	37.242.628
	Non-current assets	31.112.270	32.401.243	48.964.890	50.827.619
10	Inventories	31.253.762	28.886.885	13.156.877	7.626.545
	Short-term receivables from group enterprises	0	0	4.384.056	4.448.337
	Short-term trade receivables	15.614.665	14.482.460	8.164.547	4.616.370
11	Contract work in progress	3.500.444	0	6.538.821	0
	Current deferred tax assets	2.517.561	1.621.702	3.564.655	3.080.701
	Short-term tax receivables	1.242.915	0	0	0
	Other short-term receivables	2.619.765	3.217.865	1.417.202	1.271.115
	Deferred income assets	1.967.055	1.339.292	625.581	689.155
	Receivables	27.462.405	20.661.319	24.694.862	14.105.678
	Cash and cash equivalents	2.588.818	391.237	107.134	11.648
	Current assets	61.304.985	49.939.441	37.958.873	21.743.871
	Total assets	92.417.255	82.340.684	86.923.763	72.571.490



## Balance sheet 31 December

## Liabilities

Note	Group		Parent Company		
	2018	2017	2018	2017	
	Contributed capital	10.000.000	10.000.000	10.000.000	10.000.000
	Reserve for net revaluation according to equity method	0	0	20.257.376	21.824.555
	Retained earnings	24.309.934	23.391.123	4.052.558	1.580.987
	Minority interests	0	0		
	Proposed dividend recognised in equity	0	0	0	0
12	Equity	34.309.934	33.391.123	34.309.934	33.405.542
	Long-term debt to other credit institutions	7.060.708	6.646.109	2.775.826	4.110.603
14	Long-term debt	7.060.708	6.646.109	2.775.826	4.110.603
14	Short-term debt to other credit institutions	26.797.325	18.225.103	24.557.964	16.995.110
	Short-term trade payables	20.647.229	15.117.929	14.335.169	6.583.064
	Short-term tax payables	0	485.178	0	0
	Short-term payables to group enterprises	414.989	461.924	9.712.784	8.336.673
11	Short-term prepayments received from customers	0	5.411.697	0	2.014.632
	Other short-term payables	3.187.070	2.601.621	1.232.086	1.125.866
	Short-term debt	51.046.613	42.303.452	49.838.003	35.055.345
	Total debt	58.107.321	48.949.561	52.613.829	39.165.948
	Total liabilities and equity	92.417.255	82.340.684	86.923.763	72.571.490
15	Disclosure of mortgages and collaterals				
16	Disclosure of contingent liabilities				
17	Disclosure of scope and nature of derivative financial instruments				
18	Contingent liabilities				
19	Disclosure of ownership				

## Group cash flow statement

Note	2018	2017
Profit (loss) from ordinary activities after tax	1.351.154	706.022
Other adjustments for decrease (increase) in working capital	-	-
Decrease (increase) in inventories	(2.366.877)	(11.192.983)
Decrease (increase) in receivables	(4.662.312)	10.763.421
Decrease (increase) in trade payables	703.052	2.997.175
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible	4.165.631	2.631.116
Adjustments of tax expense	998.671	234.418
Cash flow from operating activities before finance income (expenses)	189.319	6.139.169
Income taxes paid (refund), classified as operating activities	(4.053.512)	(4.024.493)
Cash flow from ordinary operating activities	(3.864.193)	2.114.676
Purchase of property, plant and equipment, classified as investing activities	(2.938.112)	(3.156.454)
Sales of property, plant and equipment, classified as investing activities	60.000	-
Incurrence of debt to group enterprises	(46.935)	439.268
Other components of cash flows from (used in) investing activities	-	-
Cash flows from (used in) investing activities	(2.925.047)	(2.717.186)
Dividends paid, classified as financing activities	-	-
Incurrence of debt to credit institutions	8.986.821	(1.100.312)
Cash flows from (used in) financing activities	8.986.821	(1.100.312)
Net increase (decrease) in cash and cash equivalents	2.197.581	(1.702.822)
Cash and cash equivalents, beginning balance	391.237	2.094.059
Cash and cash equivalents, ending balance	2.588.818	391.237

## Notes to the annual accounts

	Group		Parent Company	
	2018	2017	2018	2017
1 Employee benefits expense				
Wages and salaries	26.330.136	23.218.501	13.252.628	9.045.063
Pensions	5.757.807	5.826.076	1.851.297	1.512.743
Other costs to social security	748.998	606.762	231.685	144.709
	<u>32.836.941</u>	<u>29.651.339</u>	<u>15.335.610</u>	<u>10.702.515</u>
<i>The average number of full-time employees</i>	88	89	30	16
2 Other financial income				
Net foreign exchange transaction gains	413.243	1.736.992	413.243	1.583.859
Financial income	56.874	-	3.031	1.873
	<u>470.117</u>	<u>1.736.992</u>	<u>416.274</u>	<u>1.585.732</u>
3 Other financial expenses				
Net foreign exchange transaction losses	1.134.200	1.896.498	1.051.422	1.896.498
Interest expenses to group related companies			452.603	342.698
Other interest expenses	2.161.485	1.409.634	1.242.807	864.734
	<u>3.295.685</u>	<u>3.306.132</u>	<u>2.746.832</u>	<u>3.103.930</u>
4 Depreciations				
Land and buildings	1.069.339	1.051.233	-	-
Plant and machinery	2.655.938	1.125.341	1.943.236	184.420
Fixtures, fittings, tools and equipment	440.354	454.542	440.353	454.542
	<u>4.165.631</u>	<u>2.631.116</u>	<u>2.383.589</u>	<u>638.962</u>

## Notes to the annual accounts

	Group		Parent Company	
	2018	2017	2018	2017
5 Tax expense on ordinary activities				
Tax on the taxable income for the year	1.894.530	3.124.535	-	-
Increase of provision for deferred tax	(895.859)	(2.890.117)	(483.954)	(3.633.277)
	<u>998.671</u>	<u>234.418</u>	<u>(483.954)</u>	<u>(3.633.277)</u>
6 Disclosure of property, plant and equipment				
<i>Lands and buildings</i>				
Purchase price, beginning of year	23.754.610	22.466.670		
Additions for the year	268.546	1.287.940		
Disposals for the year	-	-		
Purchase price, end of year	<u>24.023.156</u>	<u>23.754.610</u>		
Depreciation, beginning of year	6.683.743	5.632.510		
Depreciations for the year	1.069.339	1.051.233		
Reversed depreciation on disposals for the year	-	-		
Depreciations, end of year	<u>7.753.082</u>	<u>6.683.743</u>		
Note book value 31 December	<u>16.270.074</u>	<u>17.070.867</u>		

## Notes to the annual accounts

	<i>Group</i>		<i>Parent Company</i>	
	Technical equipment and machines	Fixtures, fittings and equipment	Technical equipment and machines	Fixtures, fittings and equipment
7 Disclosure of property, plant and equipment				
Purchase price, beginning of year	23.423.366	2.506.316	14.272.862	2.506.315
Additions for the year	2.329.522	340.044	1.809.449	340.044
Disposals for the year	1.417.251	450.574	1.417.251	450.574
Purchase price, end of year	24.335.637	2.395.786	14.665.060	2.395.785
Depreciation, beginning of year	8.992.140	1.607.166	1.587.020	1.607.166
Depreciations for the year	2.655.938	440.354	1.943.236	440.353
Reversed depreciation on disposals for the year	1.417.251	389.120	1.417.251	389.120
Depreciations, end of year	10.230.827	1.658.400	2.113.005	1.658.399
Note book value 31 December	14.104.810	737.386	12.552.055	737.386
	2018	2017		
8 Disclosure of property, plant and equipment				
Property, plant and equipment in progress				
Purchase price, beginning of year	-	8.903.172		
Additions for the year	-	-		
Disposals for the year	-	(8.903.172)		
Purchase price, end of year	-	-		
Note book value 31 December	-	-		

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Notes to the annual accounts

## 9 Long-term investments in group enterprises

Investments in and value adjustments to capital participation, which are financial fixed assets, can be specified as follows:

	Parent Company	
	2018	2017
	<u>          </u>	<u>          </u>
Purchase price	7.918.073	7.918.073
Additions for the year	-	-
	<u>7.918.073</u>	<u>7.918.073</u>
Value adjustments, beginning of the year	29.324.555	15.377.908
Profit shares for the year	5.932.821	13.946.647
Dividend	(7.500.000)	-
	<u>27.757.376</u>	<u>29.324.555</u>
Net asset value, end of the year	<u>35.675.449</u>	<u>37.242.628</u>
Profit of capital participation:		
Profit share after tax for the year	5.932.821	13.946.647
Impairment receivables from group enterprises	(3.288.817)	(297.766)
	<u>2.644.004</u>	<u>13.648.881</u>

## Subsidiary's:

Oxymat Ejendomme ApS, 3200 Helsingør, 100% owned.

Oxymat Slovakia S.r.o, Vadovce, Slovakia, 100% owned.

Oxymat (Hangzhou) Co., Ltd., 70% owned.

## Notes to the annual accounts

	<i>Group</i>		<i>Parent Company</i>	
	2018	2017	2018	2017
10 Inventories				
Raw materials and supplies	19.308.814	15.632.495	5.649.709	6.383.795
Goods and trades	11.944.948	13.254.390	7.507.168	1.242.750
	<u>31.253.762</u>	<u>28.886.885</u>	<u>13.156.877</u>	<u>7.626.545</u>
11 Contract work in progress				
Work in process	17.453.750	12.117.018	12.727.062	7.962.490
Prepayments	13.953.306	17.528.715	6.188.241	9.977.122
Work in process, net	<u>3.500.444</u>	<u>(5.411.697)</u>	<u>6.538.821</u>	<u>(2.014.632)</u>
Included in the balance sheet:				
Work in process, assets	3.500.444	-	6.538.821	-
Prepayments	-	5.411.697	-	2.014.632
	<u>3.500.444</u>	<u>(5.411.697)</u>	<u>6.538.821</u>	<u>(2.014.632)</u>
12 Equity				
	Subsidiary reserve	Retained earnings	Minority interests	Dividend
Equity capital 1 January	21.824.555	1.580.987	-	-
Dividend paid				-
Retained earnings	<u>(1.567.179)</u>	<u>2.471.571</u>		-
Equity capital, 31 December	<u>20.257.376</u>	<u>4.052.558</u>	-	-

The share capital is divided in 10.000.000 units shares of DKK 1. A total amount of DKK 10.000.000.

## Notes to the annual accounts

	<i>Group</i>		<i>Parent Company</i>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
13 Provisions for Deferred Tax				
Deferred tax, beginning of the year			(3.080.701)	552.576
Deferred tax for the year			(483.954)	(3.633.277)
Deferred tax 31 December			<u>(3.564.655)</u>	<u>(3.080.701)</u>
14 Details on long-term liabilities other than provisions				
Due after 5 years	3.488.396	1.600.683	-	-
Due in 1-5 years	3.572.312	5.045.426	2.775.826	4.110.603
Due in 1 year	26.797.325	18.225.103	24.557.964	16.995.110
	<u>33.858.033</u>	<u>24.871.212</u>	<u>27.333.790</u>	<u>21.105.713</u>
15 Disclosure of mortgages and collaterals				

As security for the bank engagement of Oxymat A/S, mortgage deed registered to the mortgager of DKK 1.100.000 and mortgage deed registered to the mortgager of DKK 650.000 with mortgage in the property at Fasanvej 18 at a book value of DKK 8,045,433 have been deposited. Also as security for mortgage debt in Oxymat Ejendomme ApS, DKK 4,478,160, a mortgage has been given in the property.

Mortgage deeds registered to the mortgager at a nominal amount of DKK 3.610.000 have been registered. The registered mortgage deeds registered to the mortgagor are at the present time not provided as security for debt.

As security for bankloan the company has presented security DKK 10.000.000 in assets, plant and equipment, goodwill, inventories and trade receivables - at total book value DKK 34.610.865.



## Notes to the annual accounts

### 16 Disclosure of contingent liabilities

There is an obligation of a general guarantee for delivered products rely. The company estimates this guarantee to be maximum DKK 1.000.000.

### 17 Disclosure of scope and nature of derivative financial instruments

The company has entered into forward exchange contracts for hedging future sales USD 7.500.000. The contracts have a term of 1-4 months.

### 18 Contingent liabilities

The company acts as the management company for the jointly taxed Danish subsidiaries. The company is jointly and severally liable with the other jointly taxed Group companies for payment of withholding taxes payable and for corporate taxes.

### 19 Disclosure of ownership

The following shareholder are recorded in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Sjøgren Holding ApS, Søkrogvej 19, 3200 Helsingø.

Jesper Bo Sjøgren, Søkrogvej 19, 3200 Helsingø.

Tage Kjær Invest ApS, Davidsvænge 17, 3480 Fredensborg